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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Via Electronic Filing and Hand Delivery

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Ex Parte Filing re: Application by BellSouth Corp. et al. for Provision of In-Region, InterLATA Services in Alabama et al., WC Docket No. 02-150

Dear Ms. Dortch:

This letter is submitted on behalf of AT&T Corp. ("AT&T") in response to issues raised in BellSouth's ("BST") August 5, 2002 Reply Comments ("BST Reply"), in supporting Affidavits, and in various BST ex parte submissions to the Commission on OSS, data integrity, and interconnection issues.

OSS

The recent actions of the Florida and Georgia Public Service Commissions ("FPSC" and "GPSC") to improve BST's change control plan ("CCP") and actual flow-through rates for CLEC orders are constructive and laudable. These actions demonstrate the respective Commissions' current views that BST's performance in these areas continues to deny CLECs nondiscriminatory access to its OSS, and it remains uncertain how these improvements will impact BST's activities in the five states that are subject to this application.

Change Management. AT&T has previously shown that BST's CCP is inadequate in several respects. *See, e.g.,* Bradbury/Norris Dec. ¶¶ 13-80.[1]

[1] On August 16, 2002 BST filed an ex parte letter with the Commission attempting to rebut AT&T's and other CLECs showings. Letter from Glenn T. Reynolds to Marlene H. Dortch (Aug. 16, 2002) ("BST Aug. 16 Ex Parte"). Additionally on August 19, BST met with the Chief of the Wireline Competition Bureau and several staff members regarding the same subject. Letter from Kathleen B. Levitz to Marlene H. Dortch (Aug. 19, 2002) ("BST Aug. 19 Ex Parte"). The information provided in both instances (1) was carefully manipulated, (2) inconsistent with information on the same subject provided by BST elsewhere in the record of this docket, and (3) therefore distorts the status of the CCP. For example, BST

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In apparent recognition of these shortcomings, on August 6, 2002, the FPSC adopted three additional performance metrics for change management to motivate BST to handle and implement change requests more expeditiously.[2] The FPSC effectively required BST to implement all Type 5 (CLEC-initiated) and Type 4 (BST-initiated) change requests within 60 weeks from the date of the prioritization of the request. The FPSC adopted a metric that measures the percentage of such change requests implemented during that time frame -- and required BST to file a specific action plan (by August 30, 2002) on how it intends to accomplish the benchmark of 95 percent which the PSC established for that metric. In addition, the FPSC adopted two metrics that will evaluate (1) the percentage of change requests rejected by BST, and (2) the percentage of change requests that BST accepts or rejects within 10 business days.[3]

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states "[I]n addition to the implementation of the Top 15 CLEC requests, BellSouth has implemented, or is scheduled to implement, 25 other change requests for features this year, bringing the total to 40 implemented or scheduled feature change requests for 2002." BST Aug. 16 Ex Parte at 3. This total includes the implementation of feature change requests from the Flow Through Task Force ("FTTF"), yet when BST describes the current backlog of feature change requests in Attachment A (and its August 19 handouts) it purposely excluded 19 FTTF feature requests from its analysis. Additionally BST counts Type 2 (Regulatory Mandates) in its implementation but excludes them from its backlog analysis. Further, BST confuses the backlog analysis with discussions of CRs related to process changes, documentation, manual processes, and in clarification status, each of which has always been excluded from AT&T's and other CLEC's software change request backlog analysis. It appears that the Staff noticed these and other inconsistencies in BST's filings because, as noted in BST's ex parte filing of August 21, 2002, a subsequent telephone discussion between the staff and BST occurred on August 20, 2002. Letter from Kathleen B. Levitz to Marlene H. Dortch (Aug. 21, 2002) ("BST Aug. 21 Ex Parte"). BST's William Stacy told the staff that his materials "each . . . represented a snapshot taken at a different time of change requests moving through the process from submission to implementation," and explained how "even in the absence of an intervening release, the number of change requests in each category could change." *Id.* at 1. Certain changes in status for software change requests can occur during the interval between releases: New Requests can be rejected/cancelled or moved to pending status; however Pending Requests can only move to Candidate Request status as a result of prioritization (which occurs only 4 times annually); Candidate Requests can become Scheduled; however Scheduled Requests can not become implemented. The differences among the various materials BST has provided do not always correlate to these conditions.

[2] Previously the FPSC adopted three performance measures focused on the elimination and timely correction of software defects. *See* Order No. PSC-02-0989-PAA-TP, issued July 22, 2002, in FPSC Docket No. 000121A-TP, at 7-11.

[3] *See* Order No. PSC-02-1094-PAA-TP, issued Aug. 9, 2002, in FPSC Docket No. 000121A-TP, at 4-5 & Attachments 1-3; Varner Rep. ¶ 238. BST recently advised this Commission that it "has not sought and does not intend to seek reconsideration or appeal the Florida PSC's decision" regarding the 60-week implementation requirement. Letter from Glenn T. Reynolds to Marlene H. Dortch (Aug. 14, 2002) at 2. *But see* Varner Rep. ¶ 239 (BST will consent to the measurement of Percent of Change Requests Implemented Within 60 weeks of Prioritization "assuming the addition of an exclusion dealing with system capacity").

The FPSC has recommended that three of these six new change-management metrics be included in BST's performance incentive plan, with Tier 2 enforcement: (1) percentage of change requests implemented within 60 weeks of prioritization; (2) percentage of change requests accepted or rejected within 10 business days; and (3) percentage of software errors corrected in "X" (10, 30, or 45) business days. Varner Rep. ¶¶ 237-238. BST recently represented to this Commission, and to the public service commissions in the seven States in its region outside Florida and Georgia, that it would "voluntarily" begin to pay Tier 2 penalties on these three metrics in the seven States as well as in Florida.[4]

These metrics will permit better monitoring of BST's performance by the State commissions and the CLECs, and with appropriate penalties for noncompliance, would provide an incentive to BST to improve its performance. However, the penalties adopted by the Florida PSC for the three metrics included in the penalty plan are insufficient to accomplish this objective.[5]

Only if the penalties are substantially increased will BST have the incentive to conform its conduct to the requirements of Section 271. For example, in comments recently filed with the Georgia PSC, the CLECs argued that the GPSC should impose the following penalties for the three new change management metrics subject to the SEEM: (1) a penalty of $5,000 per occurrence for each reporting period until the defect has been corrected, for the percentage of defects corrected in X days; (2) a penalty of $1,000 per occurrence for each reporting period, for the percentage of change requests accepted or rejected within 10 days; and (3) for the percentage of change requests implemented within 60 weeks of prioritization, $15,000 per occurrence for each reporting period until the change request has been implemented. These proposed penalty amounts are essential to motivate BST to improve its performance.[6]

Proceedings before the Georgia PSC have also resulted in improvements to the CCP. During industry workshops held as part of the Georgia PSC's six-month review of BST's Service Quality Measurement Plan, BST agreed to the adoption of performance measurements for (1) the percent of software errors corrected in X business days; (2) the percent of change requests accepted or rejected within 10 days; and (3) the percent of change requests rejected. In a memorandum dated August 6, 2002, the Staff of the Georgia PSC recommended that the GPSC

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[4] *See* Letter from Glenn T. Reynolds to Marlene H. Dortch (Aug. 14, 2002) at 1-2.

[5] BST's current plan requires the payment of only $1,000 per measure for failures that occur for three consecutive months. These amounts are so low that they give BST little incentive to perform the work necessary to meet the applicable benchmarks. Instead, the modest amounts of the penalties give BST every reason to continue its inadequate performance and pay the penalties as a cost of doing business.

[6] *See* CLEC Coalition Comments Concerning Staff's Performance Measurements Recommendation, filed Aug. 16, 2002, in Georgia PSC Docket No. 7892-U, at 8-9. For example, in New York Verizon must pay a penalty of $25,000 per day if a change management notice is delayed more than 5 days, a penalty of $100,000 when the number of software validation errors is between 5.1 and 10, and a penalty of $1 million when a software release contains more than 10 percent errors. *Id.*

also adopt the same two measures adopted by the Florida PSC regarding the number of defects in production releases and the percentage of change requests implemented within 60 weeks.[7] If the Staff's recommendation is approved by the Georgia PSC, Georgia will have adopted all but one of the six new change management performance measures adopted in Florida (the software validation metric being the one exception), and the same three new performance measurements will be subject to the SEEM in Georgia.[8] However, the penalties ordered under the Georgia SEEM require payment of only $1000 per affected item, and are therefore an insufficient incentive for BST to improve its performance -- BST can be expected to continue its inadequate performance and pay the penalties as a cost of doing business.[9]

The regulatory commissions in the five states that are the subject of this application have not taken any independent steps that will result in improvement of the CCP. The commissions in those States have largely followed the leads of the Florida and Georgia PSCs, without undertaking any substantial effort of their own to correct the flaws in the CCP. As a result, this Commission cannot rely on future actions by other State commissions to ensure that BST achieves or maintains a change control process in compliance with Section 271.

Flow-Through. The Florida PSC recently recognized that the existing penalties in BST's Florida performance incentive plan for failure to meet the applicable benchmarks for its Percent Flow-Through metric are inadequate to give BST a meaningful incentive to reduce its excessive reliance on manual processing. Thus, the FPSC doubled the penalty payments for noncompliance, as follows: (1) the range of Tier 1 payments for flow-through results by individual CLEC, which currently progress from $450 for Month 1 of noncompliance to $1,350 for Month 6 of noncompliance, were increased to range from $900 to $2,700; and (2) the Tier 2 payments for flow-through results in the aggregate were increased from $700 to $1,400 per month. The FPSC also ordered BST to file a specific action plan designed to achieve the

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[7] *See* Memorandum to All Commissioners from Leon Bowles (Georgia PSC Staff)(Aug. 6, 2002) at 4.

[8] The importance of the association of the 60 week implementation interval with a strong SEEM incentive cannot be understated. Contrary to the impression BST attempts to create with its statements in the BST Aug. 16 Ex Parte (at 4-5) that (1) "[t]he change requests currently in CCP are being handled efficiently and in accordance with the documented process," and that (2) "the requests are moving through the process and are being implemented in a timely fashion", until the FPSC order the CCP contained no objectives for the timely implementation of feature change requests. As a result, BST has implemented a process that operates backwards from a unilaterally and arbitrarily determined "capacity" without consideration of the pending demand represented by change requests in the process. Further, as paragraphs two and three of the BST Aug. 21Ex Parte confirm, the process for determining the contents of a release is internal to BST and excludes the participation of the CLECs – BST's "proposals" to the CLECs resulting from the process are in fact fait accompli. Only a firm implementation interval supported by financially significant penalties will provide BST with the incentive to engage with the CLECs in proactive joint release planning.

[9] The Georgia SEEM currently includes Tier 2 penalties associated with two other change management metrics related to the timely delivery of notices and documentation of $1000 for each untimely delivery.

applicable benchmarks for flow-through performance by July 30, 2002. *See* Bradbury/Norris Dec., Att. 11 at 3-7.

Although these actions are welcome, the new penalties adopted by the Florida PSC remain woefully inadequate to give BST an incentive to improve its flow-through performance. For example, in Georgia BST's Tier 1 flow-through penalties have averaged approximately $90,000 per month, and its Tier 2 flow-through penalties have averaged approximately $150,000 per month, from December 2001 through May 2002. Yet BST's flow-through rates have shown little or no improvement during that period. *See* Bradbury/Norris Dec. ¶¶ 88-91. Moreover, even after the Florida PSC voted to increase the flow-through BST filed a flow-through improvement plan that calls for little or no material improvement in its performance in the near future. *See* AT&T Rep. at 15-16.

There is also no basis for assuming that the regulatory commissions in the five states that are in this application will take additional action that results in an increase in BST's flow-through rates. As with change control issues, these commissions have generally followed the leads of Florida and Georgia. Thus, only if this Commission refuses to find that BST's reliance on manual processing meets the requirements of Section 271 will BST have any meaningful incentive to improve its performance.[10]

DATA INTEGRITY

BST has failed to prove that its performance data are accurate, reliable and "above suspicion." *Texas 271 Order* ¶ *429* n. 1259. As AT&T has explained, BST's reported performance data have been tainted by BST's unilateral modifications to performance measures, as well as BST's refusal to participate in any meaningful way in the data reconciliation process. Bursh/Norris Rep. ¶¶ 8-22, 44-52. Furthermore, BST's performance data that have been generated using both PMAP 2.6 and 4.0 are riddled with errors -- errors that BST has essentially acknowledged in its Application, *ex parte* filings, and metrics change notices. *Id.* ¶¶ 23-43.

In response to AT&T's arguments, BST contends that the Georgia PSC's adoption of a formal metrics notification process "should allay" any concerns regarding unilateral changes to measures, and that BST's unilateral changes have had no significant impact on performance results. Varner Rep. ¶¶ 5, 42. However, the Georgia PSC's Order governing the metrics change

[10] On August 20, 2002, BST filed an ex parte with the Commission answering a number of questions prepared by the Staff. Letter from Kathleen B. Levitz to Marlene H. Dortch (Aug. 20, 2002). In its answer to FCC Question #2, BST provides updated data as requested by the staff on flow through levels achieved by "the top 5 CLECs." As AT&T has demonstrated in previous filings, such CLEC specific aggregate data is not meaningful because of the design of BST's percent flow through measure. *See, e.g.*, Bradbury/Norris Dec. ¶¶ 83-95. In its answer to FCC Question #3, BST continues to provide inaccurate information about the status of the FTTF items. By e-mail on August 21, 2002, BST provided the FTTF Status Report attached as Attachment 1 hereto. This status report shows that of the 36 active FTTF items 10 have been implemented, 12 are scheduled for implementation and 14 have no schedule.

control process has not served as an effective deterrent to unauthorized metrics changes. Even after the Georgia PSC entered its Order, BST made yet another unauthorized change to the metrics and failed to provide the requisite 60 days' notice as to other metrics changes. Bursh/Norris Rep. ¶¶ 44-52. Furthermore, although BST attempts to dismiss the significance of its unauthorized changes, BST's unilateral changes have affected substantial volumes of CLEC orders.[11]

Equally infirm is BST's rejoinder to AT&T arguments regarding BST's failure to abide by its commitment in *Georgia/Louisiana 271* order "to engage in data reconciliation with any requesting carrier." *Georgia/Louisiana 271 Order* ¶ 18. In this regard, BST contends that "AT&T rarely encounters lengthy delays in receiving responses for BST," and that the data reconciliation meeting held on July 23 revealed "no significant errors in the data." Varner Rep. ¶¶ 16, 20. BST is wrong on both counts.

BST's responses to AT&T's inquiries regarding the integrity of BST's data have been untimely, inadequate and erroneous. Indeed, it was not until July 23 -- five months after AT&T first raised its concerns regarding the reliability of BST's data -- that BST finally provided responsive and complete responses. Furthermore, during the July 23 meeting, significant errors in the data were uncovered. BST's own presentation shows that, as a result of a batch processing code, AT&T could not access over 4,000 LSRs in BST's March OCI Raw Data File. In addition, by BST's own admission, because it improperly classified 665 of AT&T's LNP service orders as partially mechanized orders and 60 orders as Issued Service Orders in the LNP flow through report, BST's flow through reports and FOC timeliness results are inaccurate. Significantly, these errors affected BST's reported results for AT&T's orders, and the impact of BST's improper classification of orders on aggregate CLEC results remains unclear.

BST's attempt to refute AT&T's arguments regarding errors in its performance data is similarly flawed. In an effort to lend color to its assertion that its data using its new platform PMAP 4.0 are trustworthy, BST, for the first time in its reply comments, includes an affidavit and report prepared by PriceWaterhouseCoopers LLP ("PWC") which purportedly conducted an attestation examination "regarding the completeness and accuracy of the data extracted from the Company's OSS service systems . . . into the PMAP 4.0 application." Varner Rep. ¶¶ 88-91, Exhibit PM-12 at 1-2. However, BST cannot legitimately rely on the PWC report.

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[11] In an effort to dismiss the significance of its unauthorized exclusions of data, BST claims that "only 0.29% of the total mechanized LSRs received" were excluded. Varner Rep. ¶ 42. According to BST's March 2002 flow-through results, the CLECs submitted over 416,000 LSRs. Thus, over 1,000 LSRs were missing from BST's reported results as a result of an undocumented exclusion (.0029 x 416,000 = 1,200 LSRs). In addition, BST's own Application reveals that in March 2002 alone approximately 1,000 LSRs were excluded from BST's performance results "because they were received one month and responded to another month." Varner Rep. ¶ 45.

In the first place, the PWC report should be given no evidentiary weight since it violates this Commission's rule that "a BOC's Section 271 application must be complete on the date it is filed." *Michigan 271 Order* ¶ *50.* The reliability of the PWC report is in any case inherently suspect. PWC's review was commissioned by BST, and no State regulatory commission monitored or was otherwise involved in PWC's evaluation. Moreover, BST has not explained why it selected PWC to perform this review, particularly when KPMG, with years of experience with BST's performance monitoring systems, is currently evaluating the accuracy of BST's PMAP 4.0 data as part of the metrics audit in Florida. Because KPMG, during its ongoing testing of BST's PMAP 4.0 data, has uncovered significant deficiencies in and has refused to validate the accuracy of BST's commercial data until the completion of its test,[12] the only logical conclusion is that BST chose PWC because it is dissatisfied with KPMG's preliminary findings in Florida.

Furthermore, the PWC attestation examination is so limited in temporal, measurement and product scope that it cannot fairly be deemed a reliable and comprehensive indicator of the integrity of BST's PMAP 4.0 data. Unlike the ongoing metrics audit in Florida, which is evaluating the accuracy of BST's PMAP 4.0 covering at least three months, the PWC test involved an examination of data logs for three days in April and a small number of individual transactions selected from the month of April. Given that limited temporal scope, PWC did not detect – as KPMG has uncovered during the Florida test – that BST improperly excluded over 5,000 records during its transfer of data from the Legacy/Source systems to the Regulatory Ad-Hoc Database System ("RADS") that were used in calculating BST's February 2002 ordering results. *See* Florida KPMG Exception 176; Bursh/Norris Rep. Dec. ¶ 43. Additionally, in stark contrast to the KPMG audit, which is evaluating performance results for dozens of measures involving numerous products, PWC examined only "the FOC and Reject Completeness measure for xDSL and the Provisioning Measures for line sharing and Local Interconnection Trunks." Varner Rep. ¶ 88.

PWC's testing methodology also is fundamentally infirm. PWC conducted a high level review using minimal sampling. Unlike the ongoing metrics audit during which KPMG is

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[12] *See* Bursh/Norris Rep. ¶ 43. BST's claim that no KPMG metrics audit conducted to date "reveal[s] any significant problems with BST's performance data" is disingenuous. Varner Rep. ¶ 83. KPMG could not assess numerous test criteria during the Florida metrics test using PMAP 2.6 "because accurate and complete transformation documentation for data between the staging to NODS steps was unavailable." KPMG Final Report at 759-760, 762-773, 776-782. As to other criteria which were tested using PMAP 2.6, KPMG found that BST inappropriately excludes data from performance results. *Id.* at 755, 783-800. Furthermore, KPMG, which is in the process of testing PMAP 4.0, has already found that BST inappropriately excludes thousands of orders during the performance monitoring and reporting process. AT&T Reply Comm. 22; Bursh/Norris Rep. ¶ 43. In Exception 176, KPMG found that BST inappropriately excluded more than 5,000 records needed to calculate BST's ordering results. *Id.* In Exceptions 178 and 179 opened on August 5, 2002, KPMG found that BST excluded over 9,800 records necessary to calculate results on the Acknowledgment Message Timeliness and Completeness measures.

analyzing 100% of the transactions from the PMAP 4.0 warehouse, PWC's test was limited to a review of 95 transactions from the PMAP 4.0 warehouse. Varner Rep., Exhibit PM-12, ¶ 30. Indeed, given the relatively low volumes of orders in the few metrics that PWC selected for examination, it could have and should have examined all of the PMAP data associated with those metrics.

PWC also asserts that it tested the accuracy of BST's PMAP 4.0 warehouse transactions by "tracing a judgmentally selected sample of transactions from the PMAP 4.0 Warehouse back to the RADS." Varner Rep., Exhibit PM-12, ¶ 28. *See also id.* ¶ 31. Because data flow from RADS to the PMAP 4.0 warehouse, it is hardly surprising that PWC reached the unremarkable conclusion that data stored in the PMAP 4.0 warehouse were also in RADS. PWC's analysis fails to address the more critical issue as to whether all transactions that are captured in RADS are transferred properly to the PMAP 4.0 warehouse.[13]

INTERCONNECTION

BST's Reply Comments also confirm that BST fails to provide CLECs with access to interconnection on nondiscriminatory terms and conditions. Nowhere does BST deny that it is free to define the scope of its own local calling areas, or that it has taken advantage of this

[13] In addition, although PWC claims that it examined the log files for a number of systems in order to evaluate the "audit trails" of files transmitted from legacy/source systems to RADS, PWC concedes that it "requested but could not obtain the selected LE09 logs." Varner Rep., Exhibit PM-12, ¶ 17. The failure of PWC to capture an entire universe of orders from one source system is a significant gap. BST claims to have compensated for this omission by increasing the number of transactions sampled from LEO. However, an increase in the size of transactions sampled from a separately prepared extract of data from a source system cannot serve as a suitable surrogate for missing transaction logs. Moreover, PWC's analysis of these files is inadequate in another important respect. In contrast to the KPMG metrics audit where KPMG is examining the entire drawn sample to evaluate the completeness and accuracy of data flowing from the legacy/source systems to RADS, PWC reviewed only a sample of 355 files for accuracy. *See* Varner Rep., Exhibit PM-12, ¶ 24.

Furthermore, PWC attested to BST's assertion that "[t]he transaction data used for the calculation of the XDSL, ADSL, line sharing and local interconnection trunks CLEC Aggregate and Retail Standard ordering and processing performance measures . . . was extracted from the Company's Operational Support Systems into the PMAP System completely and accurately" with the exception of one xDSL transaction. Varner Rep., Exhibit PM-12, PWC Report, attaching BellSouth's Report of Management Assertions on BellSouth Telecommunications Transactions Data dated June 26, 2002. However, PWC's attestation is belied by BST's admission in its metrics change notice dated August 1, 2002 --a day before PWC issued its report – that an error in its code resulted in its improper inclusion of retail DSL orders in its performance results for certain metrics. The failure of PWC to detect this coding error during its test – which BST conceded affected 23% of its retail DSL orders in June alone – underscores the inherent unreliability of the PWC report. For all of these reasons, BST's reliance on the PWC report to demonstrate the accuracy of its data generated in the PMAP 4.0 environment is misplaced.

freedom by offering extended-area service plans to customers throughout its region. Nor does BST dispute that its current policies deny local competitors the flexibility that BST enjoys to define the scope of their local calling areas. In short, BST tacitly concedes that competitors cannot interconnect with BST on terms equivalent to what BST enjoys.

Instead, BST maintains that this inherent discrimination is not inconsistent with the Act. It claims that "CLECs do not have a right to LATA-wide local calling," and cites the Commission's recent *Virginia Arbitration Order*[14] as support. BST Rep. 51. And it states that AT&T's argument to the contrary "is grounded in its interpretation of its interconnection agreements with BellSouth" rather than in the Act. *Id.* These claims are incorrect.

First, it is the Act and this Commission's rules, and not merely the parties' interconnection agreement, that compel BST to offer competitors the same freedom BST enjoys to define local calling areas. As AT&T showed in its opening comments, the Commission has construed the Act's requirement of nondiscriminatory interconnection to require ILECs to allow competitors to interconnect "'at a single POI per LATA.'" AT&T Comm. 27 *quoting Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92, Notice of Proposed Rulemaking,* 16 FCC Rcd. 9610, ¶ 112 (2001)). And as AT&T further showed, the Act and the Commission's rules require ILECs to provide reciprocal compensation at cost-based rates, including transport and termination on the ILEC's side of the POI at TELRIC, rather than access, rates. AT&T Comm. 27.

Second, nothing in the *Virginia Arbitration Order* established that ILECs may deny CLECs equal flexibility to define their local calling areas. The Commission there held only that "state commissions have authority to determine whether calls passing between LECs should be subject to access charges or reciprocal compensation arrangements for those areas where the LECs' service areas do not overlap," and on that basis chose not to disturb the Virginia Commission's exercise of that authority. *See id.* ¶ 549. Nowhere did the Commission hold that an ILEC is free – consistent with its obligations under §§ 251 and 271 – to redefine the scope of its local calling areas while denying competitors equivalent flexibility. Indeed, the text of the Act would preclude any such holding. Sections 251(b)(5) and 252(d)(2) require cost-based compensation for all telecommunications that interconnecting LECs exchange. 47 U.S.C. §§ 251(b)(5), 252(d)(2).[15]

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[14] *See Petition of WorldCom et al. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc. and for Expedited Arbitration*, CC docket Nos. 00-218 et al., DA 02-1731, ¶¶ 546-49 (Chief, WCB rel. July 17, 2002).

[15] The broad scope of these provisions is not constrained by Section 251(g), which is merely a "transitional enforcement mechanism" that grandfathers certain pre-existing equal access requirements as the Commission moves toward implementation of the cost-based requirements of the Act, but does not affect the scope of the Act's new interconnection and reciprocal compensation obligations. *See Deployment of Wireline Servs. Offering Advanced Telecomms. Servs.*, Order on Remand, 15 FCC Rcd.

Third, the Commission should address BST's non-compliance with this particular interconnection obligation here, rather than deferring to the Intercarrier Compensation proceedings. Reply comments in that multi-faceted proceeding were filed over 9 months ago, and there is no indication that the Commission will resolve the issues soon.

Finally, BST's attempt to characterize this issue as merely a dispute about contract language to be resolved through arbitration is inapt. BST's reply comments make clear that BST's refusal to provide CLECs with equal ability to define local calling areas is rooted not in contract language, but in its belief that, as a matter of law, that "CLECs do not have a right to LATA-wide calling." BST's refusal to implement the contrary terms of its interconnection agreement with AT&T is thus only further evidence of its refusal to comply with its checklist obligations, and cannot serve to immunize that noncompliance from Section 271 scrutiny.

CONCLUSION

For the reasons stated herein and in AT&T's prior filings, BST's Section 271 application should be denied.

Consistent with Commission rules, I am filing one electronic copy of this notice and request that you place it in the record of the proceeding

Yours sincerely,

Alan C. Geolot

Attachment

cc:	S. Bergmann	J. Goldstein
	M. Brill	D. Gonzalez
	M. Carey	C. Libertelli
	J. Carlisle	T. Preiss
	A. Goldberger	D. Schiman

385, ¶ 47 (1999). Intrastate access services are plainly "telecommunications" services as defined by the Act itself, *see* 47 U.S.C. § 153(43), and thus are covered by the plain language of section 251(b)(5).

Flow Through Task Force
Implemented Items

FTTF#	CR#	Description Of Request	Detailed Description	Release
FTTF-01	0557	Mechanization of UDC Loops	Allow electronic ordering of UDC-Universal Digital Channel) Loop for ReqType A, ACT N & D. Also add RCO tables for ACT of D, C, T, & W. Add LNA tables for D, C, & W	Phase 1 (Manual to Planned Manual Fall Out)10.3.1 Phase II Planned Manual Fall Out to Flow-Through in 10.5
FTTF-04	0724	UNE-P w/SPP	Strip SPP at time of conversion/migration to UNE-P	10.5
FTTF-12		Mechanization of UNE T-1		Tested LSR submitted, HCE-mechanized DS1 **CLECs providing samples of LSRs-some items are already electronic
FTTF-14	0441	Line Splitting	Allow the capability to order Line Splitting electronically	10.3
FTTF-17	0137	Partial Migrations Of Req CB, Act P & Q	Fully mechanize ReqType CB, ACTs P & Q for LNP orders.	10.4
FTTF-24	0494	Mechanize Q-Status LSRs	When a sup is received on a previously clarified LSR and a pending order cannot be found or is in CA status, the electronic systems EDI, LENS, TAG should generate a new service order	10.5
FTTF-26	0365	Mechanize TN change-Make ADL MNTN	Allow single order processing of a main telephone number change on a Req J. Utilize EATN for existing account number and ATN for new account number	10.5
FTTF-27	0493	Removal of ADSL on Conversions	Modify Req M ADSL and USOC SFWE+ by stripping the restricted USOCs from CSR when migrating an account with ADSL, Zone Mileage, and/or BellSouth.Net are reflected on CSR	Canceled
FTTF-29	0490	Correct CCON format on UNE-P	LESOG should properly format CCON on UNE-P and Resale conversions. ReqTypes E&M, ACTs V, W, P, Q, C LNA C, N, V, D	10.2
FTTF-30	0491	Removal of RTX	RTX is no longer a required field on service orders	9.2.1
FTTF-15	0078	EELS/Non-Switched Combo	Add the capability to order UNE extended loops (EELS) via the current EDI interface. For new EELS and migration of existing Access circuits to UNE EELS	10.5

Flow Through Task Force
Scheduled Items

FTTF#	CR#	Description Of Request	Detailed Description	Targeted Release
FTTF-05	0725	Denials/Restorals on Converted/Disconnected Accounts	When issuing conversion order and account is denied , process conversion and restore service	10.6
FTTF-11	0541	Mechanization of UCL-Non Designed	Allow the electronic ordering of UCL-ND Loops	**Manual to Electronic 10.6 Complete Mechanization in 11.0**
FTTF-13	0029	Partial Migrations Of UNE Loops (Req A)	Provide the functionality to submit partial migrations for Req A UNE Loops manually and electronically. TCIF 9.	**Manual to Electronic 10.6 Complete Mechanization in 11.0 (XDSL will fall for manual handling until release 11.0)**
FTTF-16	0160	Partial Migrations of Req BB, Act P & Q	Fully mechanize ReqType BB, ACTs P & Q for loop with LNP orders.	10.6
FTTF-18	0505	Electronic ordering of ISDN-PRI	To establish the electronic ordering of ISDN-PRI and to prepare the appropriate Business Rules	Awaiting OBF Acceptance
FTTF-21	0492	Coin Mechanziation	Enhance LENS, TAG, EDI to process coin orders (ReqType M)	11.0
FTTF-25	0228	Req E & M, Act of T	Mech Removal of DSL with UNE-P conversions, LNA=V	11.0
FTTF-28	0625	Mech Removal of DSL with UNE-P conversions, LNA=V	Drop DSL USOC (ADL11 USOC) upon conversion without receiving auto-clarification. On UNE-P ACT V, LNA V-Drop USOC. Maintain auto-clarification on LNA of G.	11.0
FTTF-31	**0729**	**4-Wire Loops**	**Ability to issue 4 Wire Digital Loops electronically**	**12.0**
FTTF-32	**0496**	**Multi Feature Discount**	**When an invalid MFDP USOC is populated, the LSR should be auto clarified in states other than North Carolina and South Carolina**	**12.0**
FTTF-34	**0495**	**Correct Ringmaster RNP**	**The electronic system should generate a service order when an LSR is received requesting or changing the RNP fid.**	**12.0**
FTTF-35	**0674**	**MemoryCall Access #-LENS Viewable**	**Enable LENS to provide access number for Enhanced MemoryCall (EMSBX & EMSBF)**	**12.0**

FTTF#	CR#	Description Of Request	Detailed Description	Targeted Release
FTTF-02	0241 0003	RPON'd LSRs	Establish business rules for RPON'd LSRs. Ensure a reject statement is added for RPONs to match manual processes	LSOG 6
FTTF-03	0335	Multi Line Hunting	To mechanize Multi-Line Hunting	
FTTF-06	0726	Complex DID	Enhance electronic systems to process more DID services	
FTTF-08	0728	LNP w/ Complex Services	Ability to issue LNP with Complex Services electronically	
FTTF-10	0563	XDSL via LENS, ACT T	Establish an ordering process in LENs for XDSL Req A, ACT T	
FTTF-19	0357 0088	Mechanization of Unbundled Network Terminating Wire (UNTW)	Provide the functionality to order UNTW through EDI	
FTTF-20	0273	Ability to order RCF (Remote Call Forwarding) via LENS	Allow LENS to process RCF requests	
FTTF-22	0506	Electronic ordering of Frame Relay	To establish electronic ordering of frame relay and prepare the appropriate business rules.	
FTTF-23	0518	Electronic ordering of ISDN-BRI (UDN)	Develop electronic business rules for ISDN-BRI Resale ReqType E, ACTs C, D, V, W, P, & Q	
FTTF-33	0622	Loop Modification-Pre Approval	Develop a process to pre-approve loops to reduce and improve loop delivery time	
FTTF-36	0621	ECCKT Not Returned on Mechanized or Manual Loop Orders for Line share Orders	The ECCKT is not being returned on mechanized or manual loop orders for Lineshare orders. BellSouth needs to provide the circuit	**Defect**
FTTF-37	0688	Directory Listings Indentions and Captions	Ability to process Indention and Caption listings electronically	LSOG 6
FTTF-37	0688	LNP w/ Complex Listings	Ability to issue LNP with Complex Listings electronically	LSOG 6
FTTF-38	**0866**	**EELS/Non-Switched Combo**	**Mechanization of EELS/Non-Switched Combo to flow through status**	